

STATE OF MICHIGAN
DEPARTMENT OF ATTORNEY GENERAL



P.O. Box 30005
LANSING, MICHIGAN 48909

DANA NESSEL
ATTORNEY GENERAL

December 5, 2019

Taste Wine, LLC
d/b/a Taste Wine Company
50 3rd Ave.
New York, NY 10003

RE: Cease and Desist Unlicensed Direct Shipping of Alcoholic Liquor

Dear Sir or Madam:

This office has confirmed the illegal and unlicensed direct shipment of alcohol to Michigan residents by Taste Wine, LLC d/b/a Taste Wine Company (see attached common carrier report). This conclusion arises from the business's ongoing practice of receiving money from customers in exchange for direct shipments of alcoholic liquor, contrary to the Michigan Liquor Control Code of 1998 (Liquor Code) and administrative rules. See MCL 436.1101, et seq. Accordingly, the business and anyone affiliated with its operation, as well as the building's owner and lessee, are ordered to cease this illegal activity or face possible criminal and/or civil sanctions.

Specifically, the parties mentioned above must cease and desist their ongoing practice of selling, furnishing, or shipping alcoholic liquor to customers located in Michigan. This activity violates the Liquor Code and constitutes criminal activity. According to MCL 436.1909(3), any person who "performs any act for which a license is required under this act without first obtaining that license or who sells alcoholic liquor in a county that has prohibited the sale of alcoholic liquor . . . is guilty of a felony punishable by imprisonment for not more than 1 year or by a fine of not more than \$1,000.00 or both." Activities that constitute selling, delivering or importing in excess of 80,000 ml of alcoholic liquor constitute a felony punishable by imprisonment of not more than 4 years or a fine of not more than \$5,000.00 or both." MCL 436.1909(4)(a).

The U.S. Constitution, in the 21st amendment, reserves the right to control alcoholic beverages to the individual states and each state has their own system of licensing, taxation, and regulation to prevent unauthorized sales. See, U.S. Const Amend XXI, see also 1963 Const Art. IV, §40. The Michigan Legislature has established a system of licensing, taxation and enforcement standards, which the

Taste Wine, LLC d/b/a Taste Wine Company

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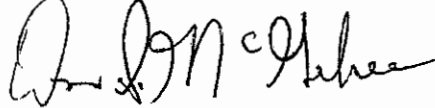
December 5, 2019

Michigan Liquor Control Commission (MLCC) is responsible for implementing. The essence of such a control system is the fact that alcoholic beverages, while legal, are controlled substances which are susceptible to misuse or abuse.

Taste Wine, LLC d/b/a Taste Wine Company is also violating the Consumer Protection Act (CPA) by promoting and falsely representing to the public that its business is legal. Section 3 of the CPA, MCL 445.903(1)(a), prohibits representations that cause a probability of confusion or misunderstanding as to their approval. A persistent and knowing violation of this law may result in a court assessing a civil penalty of \$25,000, along with costs and attorney fees, in favor of the Attorney General. See MCL 445.905.

The statutes and possible legal actions stated in this letter are by no means exhaustive; this letter is intended only to place Taste Wine, LLC d/b/a Taste Wine Company and persons affiliated with its operation, including the owner and lessee of the premises where it is located, on notice that the business is violating the laws prohibiting unlicensed individuals from the direct shipment of alcoholic liquor. If this activity fails to cease within 14 days of your receipt of this letter, our office will take legal action to stop it. This may include filing criminal charges.

Sincerely yours,

A handwritten signature in black ink, appearing to read "D. S. McGehee", written in a cursive style.

Donald S. McGehee

Division Chief

Alcohol and Gambling Enforcement Division

(517) 241-0210

Fax: (517) 241-1074

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to: _____

Taste Wine, LLC
 d/b/a Taste Wine Company
 50 3rd Ave.
 New York, NY 10003



9590 9402 4296 8190 3148 47

2. Article Number (Transfer from service label)

7016 3560 0000 4591 9259

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

- ☐ Adult Signature
- ☐ Adult Signature Restricted Delivery
- ☒ Certified Mail®
- ☐ Certified Mail Restricted Delivery
- ☐ Collect on Delivery
- ☐ Collect on Delivery Restricted Delivery
- ☐ Insured Mail
- ☐ Insured Mail Restricted Delivery (over \$500)

- ☐ Priority Mail Express®
- ☐ Registered Mail™
- ☐ Registered Mail Restricted Delivery
- ☐ Return Receipt for Merchandise
- ☐ Signature Confirmation™
- ☐ Signature Confirmation Restricted Delivery

USPS TRACKING#



9590 9402 4296 8190 3148 47



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

**United States
Postal Service**

• Sender: Please print your name, address, and ZIP+4® in this box•

**ALCOHOL & GAMBLING ENF. DIVISION
25680 WEST 8 MILE ROAD
SOUTHFIELD, MI 48033**

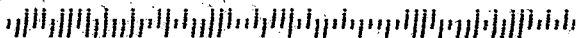


EXHIBIT 1